

**Minutes of the Full Corporation meeting held on  
11 June 2009**

**09.78 Membership**

- Ap Cllr J Bosnjak  
Mrs J H Chambers  
Mr J Connolly  
Mrs L Coombes  
Mr S Darby  
Mr K Green  
Mr R Holden  
Mr M Lloyd  
Ap Mr K McKoy  
Ms D Needham  
Ms A Neilson (Vice Chair)  
Ap Cllr D Pressley  
Mr R Rowley  
Ap Mr J Savage  
Mr J Sephton (Chair)  
Ap Mr J Shephard

In attendance:

- Ap Mr M E Murphy (Clerk to the Corporation)  
Ms A J Oaks (Deputy Clerk and College Secretary)  
Ms G Saville (Deputy Principal)  
Mr J Neal (Assistant Principal)  
Mr H Smedley (Independent Safeguarding Consultant - 09.80 only)

**09.79 Apologies**

Apologies were received from Cllr Bosnjak, Mr McKoy, Cllr Pressley, Mr Shephard and Mr Savage.

**09.80 Briefing on Child Protection/Safeguarding Children and Vulnerable Adults**

Mr Howard Smedley, Independent Consultant for Safeguarding, was welcomed to the meeting. Mr Smedley explained that he had been linked with the College for a number of years in terms of delivering safeguarding training, which took place on average every three years with refresher training or on demand training for new staff. A paper was tabled outlining the content of the briefing, which included the role of those with ultimate responsibility for safeguarding within the College, the implementation of suitable policies and procedures, and the role of Governors in measuring performance, capability and outcomes.

Mr Smedley provided background information, focusing on legislative changes since the Laming Report in 2003, the Children Act 2004 and Working Together

2006, and how there was a need for recognition that each individual is responsible for early preventative intervention for children, including managers, senior managers and Governors. The establishment of the new Independent Safeguarding Authority would mean that all staff working with children and vulnerable adults would need to become registered by July 2010.

Governors questioned Mr Smedley on training and how they could gain reassurance from the College that the systems and procedures currently in place were adequate. Following a question from Ms Neilson with regard to safeguarding, the Principal confirmed that the latest Ofsted report confirmed that the College was fully compliant. Mr Smedley emphasised that his supervision of the safeguarding training programme also provided third party assurance, which gave Governors comfort. He added that the current Safeguarding Champions, the HR Director and the Head of Student Services, were fully trained and ensured the College complied with relevant legislation.

The Deputy Clerk reminded Governors that an Annual Report on Child Protection was presented to Governors summarising the number of referrals that had been made during the year and any subsequent action the College had taken. The annual report also highlighted training and development that had been undertaken which demonstrated the College was complying with relevant legislation. Following a discussion on policy, the Deputy Clerk stated that the College's Safeguarding policies could be found in the Governors shared folder on the website.

Mrs Coombes sought clarification of the level of awareness amongst students and whether they were encouraged to make disclosures to staff. The Principal replied that there were mechanisms in place to support students through the mentoring team. Students were also offered a one to one session with mentors and tutors if they wished to take this up. Mr Rowley confirmed that tutors did offer help, advice and counselling on a regular basis, which was very helpful. The Deputy Principal emphasised that the systems currently in place to raise awareness amongst students ensured that they were aware of who to approach for help.

Discussion took place with regard to the reporting structure and whether more frequent reports would be helpful in terms of understanding the current structure and how it is implemented. The Principal proposed that part of the training programme for 2009/10 include Safeguarding in order that the extent of responsibility from a strategic perspective could be determined. This would also help Governors to understand the level of information required from College management with regard to providing the necessary assurance relative to compliance and accountability.

The Chair thanked Mr Smedley for the briefing. Mr Smedley left the meeting.

#### **09.81 Minutes of the Full Corporation meeting held on 14 May 2009**

The Minutes were agreed as a true and accurate record and were signed by the Chairman.

#### **09.82 Matters Arising**

##### **09.82.1 (Re 09.65.1 – Re Tuition Fees Policy approved 25 April 2009)**

Following a question from Mrs Chambers, the Deputy Principal confirmed that the Tuition Fees policy was in the process of being impact assessed.

### **09.82.2 (Re 09.67.1 – Due Diligence reports)**

Mrs Chambers requested an update from the Principal on the outcome of the meeting with KPMG and Ilett and Clark Solicitors. The Principal reported that the process had been slightly slower than anticipated and the Due Diligence report was not yet available. A further meeting to finalise the financial aspects had been arranged for 10 days time, following which the report would be presented to Governors at the July Corporation meeting.

### **09.83 Confidential Minutes of the Full Corporation meeting held on 14 May 2009**

The Minutes were agreed as a true and accurate record and were signed by the Chairman.

### **09.84 Matters Arising**

#### **09.84 (Re 09.65.2)**

Confidential.

### **09.85 Recommendations from the Search Committee meeting held on 14 May 2009**

The minutes of the meeting held on 14 May 2009 had been circulated to Governors previously. The Deputy Clerk reported that the meeting between Mr Ndlovu, the Principal, Chair and the Clerk had taken place on 8 June and feedback from that meeting had been given to the Search Committee earlier in the evening. The Committee had considered the skills, expertise and strengths both Mr Ndlovu and Mr Garside would bring to the Board and had resolved to recommend Mr Ndlovu for appointment. Consideration had been given to filling the vacancy on the Board of North Notts CREATE Ltd and it was agreed that both matters would be dealt with at the next Full Corporation meeting, following confirmation from Mr Ndlovu of his availability for the CREATE meetings.

**RESOLVED 09.85 That Mr Saha continue as a Director of North Notts CREATE Ltd.**

### **09.86 Budget for Clerking fees 2008/9**

The Clerk had prepared a report highlighting performance against budget for 2008/9. The budget had been set and approved by Governors in July 2008 at £24,041. However, fees levied to 29 May 2009 were over budget by £4,600, and with fees for June and July still to come, it was expected the final fees would be in the region of £32,500. Part of the overspend was due to an invoice submitted in July 2008 being included in this year's budget. It was noted that if the invoice had been included in the correct financial year there would have been a slight overspend in 2007/8.

Governors recognised that the fees incurred reflected the time spent by Mr Murphy in his role and that they were calculated at an agreed hourly rate of £158.00 plus VAT. Attendance at meetings and preparation during the recent Ofsted inspection were acknowledged as contributing to the overspend.

Governors sought further information from the Principal in terms of benchmarking clerking services, particularly with regard to the number of meetings, which Governors recognised had decreased substantially since January 2008. The

Principal commented that salary levels were usually determined by the size of the College and level of responsibility as indicated in the AoC Senior Salary Survey but that it may be possible to make comparisons for services provided by Solicitors through the CIC framework.

In terms of Ms Oaks' role as Deputy Clerk, the fees for Clerking services had been reduced since 2007/8 as Ms Oaks had taken on more responsibility. Governors noted that Ms Oaks' appointment as Clerk to Barnsley College from July 2009 would have implications in and that the Clerk anticipated it was possible his fees might increase slightly in 2009/10 as a result.

In terms of quality of provision, Governors were highly satisfied with the level of service provided by Mr Murphy. However, in order to provide assurance to Governors that the service represented value for money, it was proposed a three year profile of fees from 2006/7 be presented to the next meeting for consideration, together with the Clerk's proposed budget for 2009/10.

**RESOLVED 09.86.1**            **To note the increase in fees to the end of the academic year 2009 and**

**RESOLVED 09.86.2**            **That a three year profile of fees from 2006/7 to 2008/9 be provided for consideration at the next meeting.**

#### **09.87 Financial Report for period and quarter ending 30 April 2009**

Mr Adams introduced the financial performance monitoring report which indicated a close alignment with the budget. The overall year forecast had been held at an operating deficit of £190,000 compared to the £207,000 deficit budget. The main area of concern was still Train to Gain and there was an increased focus on existing commitments and achievement of the £0.5m contract recently entered into with a view to completion pre 31 July (contribution £75,000). From the balance sheet the reducing current ratio was also a potential cause for concern, and the College was in discussions with Grant Thornton UK LLP to reclassify some of the provision against potential grant refunds into creditors greater than one year, which would remedy the problem.

On a very positive note Mr Adams was pleased to report that the £250,000 contribution from the LSC towards the AiP submission had been received. A summary of costs was provided. As reported at the last meeting, the total estimate was for £1,130,000 and the College was currently awaiting clarification on drainage costs before revising the current year estimate. In addition, as reported by the Principal at the last meeting, the College was still in negotiations with Atkins with regard to their fees.

The figures indicated a full year budget operating deficit of £207,000 against a forecast deficit of £190,000, before AiP costs. After AiP costs the figures showed a full year forecast deficit of £740,000.

The Report was received.

#### **09.88 Initial Outline Budget Estimate for 2009/10**

The report had been produced to provide Governors with the opportunity to contribute to the setting of the budget for the following year. Mr Adams emphasised that with a forecast deficit of £740,000 that included the writing off

of new build property costs, it was critically important to set the scene for the next three years, particularly in the context of restricted funding, reduced grant opportunities and an unlikely new build.

The first draft budget indicated a deficit of £621,000 based upon the business plans that had been submitted across all areas of the College. This included assumptions of a 0% wage increase but allowed for contractual increments. A further £180,000 had been added for anticipated repairs and maintenance on the basis that the new build would not take place. Mr Adams tabled a paper providing updated figures, which indicated an underlying operating deficit of £838,000. Clearly this was considered unmanageable and options were therefore being explored to make efficiency savings in order to try and achieve a balanced budget.

Changes to the assumptions detailed in the report that had been circulated prior to the meeting were summarised in the updated paper and highlighted an improvement in the deficit to £662,000. Further proposals for improvement included a reduction of £450,000 in staffing costs and £200,000 in non-pay costs, reducing the underlying performance to break even.

The Principal expressed his concern that the reduced LSC funding allocation and uncertainty with regard to T2G projects had impacted significantly on the forecast, which was £300,000 worse than he had hoped. It was anticipated that the T2G funding would be confirmed by 19 June and that this would clarify matters a little further. The Principal recognised that whilst a forecast deficit of c£300,000 may have been supportable with assurances that the associated risks were manageable, the current forecast deficit presented too high a risk to the solvency of the College.

Considerable debate took place with regard to the options set out in the paper, especially the impact on the college's financial position. The assumption options were put to Governors for consideration. In terms of contractual increments totalling £212,000, the Principal commented that it was likely the Trade Unions would challenge any proposal to avoid implementation of these contractual entitlements and that he would propose these be awarded.

The option to reduce management and staff pay was discussed in terms of balancing this against implementing a pay award. Further, the implementation of job evaluation at a cost of £200,000 was considered unmanageable in the circumstances and Governors fully supported the proposal not to proceed with this. A lengthy discussion took place with regard to the implementation of a 1% cost of living increase in the current economic climate. Governors' views were noted, in particular that pay awards in general were not being agreed in many organisations as they were simply not affordable. The Principal advised that whilst the Joint Panel were seeking a 6% increase and an initial offer of 1% had been declined. Any agreement would be awarded at the discretion of each individual College as in previous years, based on affordability.

Governors debated the options presented with a view to achieving a balanced budget and to maintain the solvency of the College. In terms of the cost of living award, the Principal stated that he would prefer to assume a nil increase at the present time and to retain posts that would otherwise be at risk of redundancy. Governors were in support of this proposal.

In response to concerns expressed by Governors about the impact of redundancies on the quality of provision, the Deputy Principal advised that there were areas of provision that were no longer being offered and that this would be

reflected in the number of posts at risk; she added that she was also conscious of the effect the redundancy programme would have on staff morale, particularly after the hard work and effort made by staff prior to the recent inspection. Governors recognised the concerns expressed by the Deputy Principal and were anxious that the circumstances were sensitively managed.

In terms of the initial proposals for reductions in staffing costs, the Principal expressed a wish to move into the 30 day consultation period as soon as possible. Governors were fully supportive of the proposal, particularly to minimise the impact on staff morale. Concerns were expressed by Governors that the provision of staff development and quality improvement initiatives through consultancy such as BW should be protected as these were key to the continued improvement of the College.

Following considered debate, it was agreed that whilst it would not be possible to implement a cost of living increase at the present time, support for any reasonably agreed pay award would be considered later in the year in terms of affordability. In conclusion, the options put forward were considered and the following resolutions made.

**RESOLVED 09.88.1 That a cost of living increase will not be assumed at the present time, but any nationally agreed settlement would be considered later in the year in the light of affordability.**

**RESOLVED 09.88.2 That payment of contractual incremental awards be assumed.**

**RESOLVED 09.88.3 That Job Evaluation should not proceed.**

**RESOLVED 09.88.4 That reductions in staffing costs be made through restructuring and that the 30 day consultation process should begin as proposed.**

**RESOLVED 09.88.5 That a balanced budget for 2009/10 be presented for approval to the next meeting of the Corporation.**

#### **09.89 Performance monitoring – Student Data**

The Deputy Principal presented her report showing performance for in-year retention for the month of May. The trend continued to show overall improvement, however late withdrawals in the area of Technology were reported which would show in the data for June. In terms of the 16-18 Long level 1 to 3, retention was well ahead comparative to the same time last year.

Student attendance overall showed a stable position in most areas. As reported last month, the issues in Hair and Beauty were being addressed and the current deterioration in Building Services, now at 80%, was causing concern which the Deputy Principal was addressing. In terms of the lesson observation profile, three observations had been graded a 4 in Technology. As indicated at the last meeting, the Deputy Principal advised that there was a need to bring more rigour to the lesson observation process, particularly grade 3 performance and that she would be introducing a revised Lesson Observation Policy.

The first publication of the performance indicators under the Framework for Excellence had been due earlier in the month. However due to changes made by

the LSC in terms of the calculation of criteria, they were now having to respond to challenges made by several providers whose grades had been adversely affected, through a campaign set up by the AoC. It was anticipated that the data would be published once the issues had been addressed.

The Report was received.

### **09.90 Principal's Report**

The Principal's report updated Governors on strategic developments both locally and nationally. In terms of the issues reported by the Principal at the last meeting with regard to the Retford Post 16 Centre, more specifically the resolution passed (unilaterally) to change Schedule 4 of the Governance & Management Agreement, the Principal was pleased to report that the Headteachers had acknowledged that the resolution was invalid, and had therefore been set aside. The College continued to work cooperatively with the Schools to plan the delivery of a new BTEC Certificate in Performing Arts at the Centre from September, further expanding the range of vocational provision there. It had also been agreed that a district wide Curriculum strategy was required, proposals for which would be discussed in July 2009.

The Principal confirmed that the £250,000 of capital fee support received from the LSC represented the maximum provided under the capital programme for AiP submission. Announcements were still awaited from the LSC on the new capital scheme which was unlikely to be before the autumn following which a full options appraisal would be carried out in terms of the Property strategy. It was anticipated that whilst detailed information had been submitted to the LSC for consideration, it was unlikely the College's scheme would receive the necessary approval as other Colleges who met the agreed criteria were clearly nearer to commencement of a new build.

A revised organisation structure chart had been appended to the report showing recent changes to SLT responsibilities.

The Principal advised Governors that prior to the decision to bring forward proposals for restructuring, plans were underway for the second annual College celebration event. The Principal considered the event to be a day of celebration to reward staff for their achievements in the recent inspection, but was mindful that the cost involved, in terms of the forthcoming announcements of a redundancy programme would raise varying perceptions of how this would be received. The Principal sought Governor's opinions and it was proposed that staffs' views be canvassed in the first instance.

### **09.91 Equality and Diversity**

It was noted that Mr Ndlovu's appointment next month would maintain the current representation amongst ethnic minority groups.

### **09.92 Governance Risk**

The need to maintain the solvency of the College was considered paramount and the proposals put forward to make savings to achieve a balanced budget demonstrated that the risks were being efficiently and effectively managed.

In terms of safeguarding, Governors recognised their responsibility in ensuring appropriate College policies and procedures were in place to deal with safeguarding arrangements, and that they themselves would undertake safeguarding training.

**09.93 Confidentiality**

**09.93.1**

The Minutes received at Item 09.83 and matters arising from that meeting were deemed confidential for reasons of a commercial nature.

**09.93.2**

The paper tabled at Item 09.88 be deemed confidential due to the sensitivity of the information provided.

**09.94 Date and time of next meeting**

Thursday 9 July 2009 at 6.15 pm.

Signed \_\_\_\_\_ Chairman

Date \_\_\_\_\_